5/-03/07/ cc Lynn



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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In Reply Refer To: 3809 U-77827 (UT-023)

MAY 25 2006

Mr. William Bown Bonneville Quarries, Inc. 842 West 400 North West Bountiful, Utah 84087

RECEIVED MAY 2 6 2006

Dear Mr. Bown:

DIV. OF OIL, GAS & MINING

On March 13, 2006, we received an incomplete Plan of Operations (Plan) from Mr. Jerome Bown to conduct building stone extraction operations on the Golden Eagle #5 placer mining claim (UMC 353624) located in Section 3, T. 12 N., R. 17 W. A review of Bureau of Land Management (BLM) mining claim records indicates that the subject mining claim is owned by Emma Bown, Janet Bown, Jeffrey Bown, Preston Bown, Ronald Bown, Tristina Bown, William Bown and Stephen Harkness. Mr. Jerome Bown intends to extract building stone from the subject claim under a lease arrangement with yourself and the above-listed co-claimants.

On April 18, 2006 we asked Mr. Jerome Bown to provide additional information so that his Plan could be considered as complete. Mr. Bown was also informed that it is the BLM's opinion that he may be proposing to mine common variety mineral materials (salable minerals) under the auspices of the mining law. Under BLM's Surface Management Regulations at 43 CFR 3809.101, where an operator is proposing to remove building stone where it is suspected to be a common variety mineral, the BLM must prepare a mineral examination report before the proposed operations may begin. An interim authorization may be granted to an operator if he agrees to establish an escrow account in a form acceptable to the BLM. If the mineral examination concludes that the building stone is a common variety mineral, the claimant is given the option to either relinquish his mining claim or BLM will initiate contest proceedings. Our letter to Mr. Jerome Bown on April 18, 2006 was intended to inform him of the options available to him, if he wished to proceed with his Plan to extract building stone that is suspected to be a common variety mineral. If he should decline our offer to establish an escrow account, and/or fail to provide information sufficient to complete his Plan, the Plan will not be approved and the case file will be closed.

On May 15, 2006, we received a letter from you, in which you stated that the deposit in the area of the subject lease was the subject of a validity examination in the mid-1970's. You state that "the establishment of the claimed portion at issue as locatable under the mining law took place two years later in 1978." A review of the subject validity examination that was prepared by William M. Dalness on September 28, 1973 for the Dislirock No. 1 mining claim in Section 5, T. 12 N., R. 17 W. and for the White Ridge No. 1, White Ridge No. 2, Windy Ridge No. 1, Rusty Rock and Slide Canyon No. 1 mining claims in Sections 1, 2, 3, 10 and 11, T. 12 N., R. 17 W. and in Section 35, T. 13 N., R. 17 W. reveals that the lands where Mr. Jerome Bown proposes to extract building stone were once within the Brown Rock Slide #2 placer mining claim, not a part

of the lands addressed in the Decision entitled United States of America v. Jav Bown (Utah 10737) and United States of America v. Jay Bown, Preston Bown, Olive Bown and Bruce Bown (Utah 10740). The Decision by Administrative Law Judge John R. Rampton, Jr., dated April 28, 1978, did not include a discussion or a determination as to the validity of the Brown Rock Slide #2 or the Golden Eagle #5 placer mining claim (the mining claim's current name), where Mr. Jerome Bown currently proposes to conduct his building stone extraction operations.

It remains BLM's opinion that Mr. Jerome Bown may be proposing to mine common variety mineral materials under the auspices of the mining law. In order to ascertain whether or not a discovery of a valuable mineral deposit has been made within the boundaries of the subject placer mining claim, a validity examination must be completed. A validity examination is defined as a field examination of an unpatented mining claim by a minerals examiner to verify or refute the discovery alleged by the mineral claimant. The mineral examiner, in an evaluation report of the claim, makes a recommendation as to whether a claim is valid or invalid. If a discovery cannot be verified within the limits of the claim, the examiner will normally recommend that the government contest the claim.

The authority of the Secretary of the Interior to conduct such mineral examinations is set forth in Cameron v. United States, 252, U.S. 450, (1920), where the U.S. Supreme Court said:

"The power of the Department to inquire into the extent and validity of the rights claimed against the Government does not cease until the legal title has passed. [The Department's province is that of determining questions of fact and right under the Public Land Laws, of recognizing or disapproving claims according to their merits, and of granting or refusing patents as the law may give sanction for one or the other."

If you have any questions, or require additional information, please feel free to contact Michael Ford of my staff at (801) 977-4360.

Sincerely,

David H. Murphy
Assistant Field Manager,

Nonrenewable Resources

Michel & Nuber

Cc: Mr. Jerome Bown Bown Stone Products, Inc.

> Ms. Susan M. White Utah Division of Oil, Gas and Mining

Utah State Office (UT-923)